ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2207

State of Washington 63rd Legislature 2014 Regular Session

By House Appropriations (originally sponsored by Representatives Haigh, Orcutt, Haler, Tharinger, Blake, Short, Van De Wege, Fagan, Magendanz, and Buys)

READ FIRST TIME 03/03/14.

- AN ACT Relating to eliminating the reduction in state basic education funding that occurs in counties with federal forest lands; amending RCW 28A.150.250 and 28A.520.020; and providing an effective date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 28A.150.250 and 2009 c 548 s 105 are each amended to read as follows:
- (1) From those funds made available by the legislature for the 8 current use of the common schools, the superintendent of public 9 instruction shall distribute annually as provided in RCW 28A.510.250 to 10 each school district of the state operating a basic education 11 12 instructional program approved by the state board of education an amount based on the formulas provided in RCW 28A.150.260, 28A.150.390, 13 and 28A.150.392 which, when combined with an appropriate portion of 14 15 such locally available revenues, other than receipts from federal 16 forest revenues distributed to school districts pursuant to RCW 28A.520.010 28A.520.020, as superintendent 17 and the of instruction may deem appropriate for consideration in computing state 18 19 equalization support, excluding excess property tax levies, will

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- constitute a basic education allocation in dollars for each annual average full-time equivalent student enrolled. However, pursuant to RCW 28A.520.020, the superintendent may not offset basic education allocations with a district's federal forest revenues received under chapter 28A.520 RCW if the school district has a poverty level of at least fifty-seven percent.
 - (2) The instructional program of basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW 28A.150.260, 28A.150.390, and 28A.150.392 to fund those program requirements identified in RCW 28A.150.220 in accordance with the formula provided in RCW 28A.150.260 and those amounts of dollars appropriated by the legislature to fund the salary requirements of RCW 28A.150.410.
 - (3) If a school district's basic education program fails to meet the basic education requirements enumerated in RCW 28A.150.260 and 28A.150.220, the state board of education shall require the superintendent of public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured. However, the state board of education may waive this requirement in the event of substantial lack of classroom space.
- **Sec. 2.** RCW 28A.520.020 and 2011 c 278 s 1 are each amended to 22 read as follows:
 - (1) There shall be a fund known as the federal forest revolving account. The state treasurer, who shall be custodian of the revolving account, shall deposit into the revolving account the funds for each county received by the state in accordance with Title 16, section 500, United States Code. The state treasurer shall distribute these moneys to the counties according to the determined proportional area. The county legislative authority shall expend fifty percent of the money for the benefit of the public roads and other public purposes as authorized by federal statute or public schools of such county and not otherwise. Disbursements by the counties of the remaining fifty percent of the money shall be as authorized by the superintendent of public instruction, or the superintendent's designee, and shall occur in the manner provided in subsection (2) of this section.
 - (2) No later than thirty days following receipt of the funds from the federal government, the superintendent of public instruction shall

apportion moneys distributed to counties for schools to public school districts in the respective counties in proportion to the number of resident full-time equivalent students enrolled in each public school district to the number of resident full-time equivalent students enrolled in public schools in the county. In apportioning these funds, the superintendent of public instruction shall utilize the October enrollment count.

- (3)(a) Except as provided in (b) of this subsection, if the amount received by any public school district pursuant to subsection (2) of this section is less than the basic education allocation to which the district would otherwise be entitled, the superintendent of public instruction shall apportion to the district, in the manner provided by RCW 28A.510.250, an amount which shall be the difference between the amount received pursuant to subsection (2) of this section and the basic education allocation to which the district would otherwise be entitled.
- (b) If a school district has a poverty level of at least fifty-seven percent, the superintendent may not offset that district's basic education allocation by the amount of those federal forest revenues, to the extent that such revenues do not exceed seventy thousand dollars. The superintendent may offset the district's basic education allocations by the portion of the federal forest revenues that exceeds seventy thousand dollars. For purposes of this section, poverty is measured by the percentage of students eligible for free and reduced-price lunch in the previous school year.
- (4) All federal forest funds shall be expended in accordance with the requirements of Title 16, section 500, United States Code, as now existing or hereafter amended.
- (5) The definition of resident student for purposes of this section shall be based on rules adopted by the superintendent of public instruction, which shall consider and address the impact of alternative learning experience students on federal forest funds distribution.
- 33 <u>NEW SECTION.</u> **Sec. 3.** This act takes effect September 1, 2014.

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